

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3504-03
BILL NO.: HB 1603 with HCA # 1 and # 2
SUBJECT: Motor vehicle, Franchise Law
TYPE: Original
DATE: February 14, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

The **Office of the State Courts Administrator, Office of the Secretary of State, Department of Economic Development, Office of Administration - Administrative Hearing Commission, Department of Revenue** and the **Department of Labor and Industrial Relations** assume the proposed legislation would have no fiscal impact on their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

Small businesses which are motor vehicle dealers or sell motor vehicles would be affected by this proposal.

DESCRIPTION

This proposal revises Missouri's motor vehicle franchise law.

A franchiser shall acknowledge in writing to the applicant the receipt of the information and documents needed for its review. If additional information is needed from the applicant, the franchiser must request this information and documents within fifteen days after the receipt of the initial forms. In no event shall the total time period for approval exceed seventy-five days from the date of the receipt of initial information and documents.

The proposal spells out the procedure and contents of the notification. Any dealer may file a petition with the Administrative Hearing Commission protesting a proposed establishment or relocation. A franchiser will be restricted from establishing or relocating a new dealer until the commission has held a hearing and has determined there is good cause for permitting the

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DESCRIPTION (continued)

proposed establishment or relocation. The proposal contains language for determining good cause.

When any party is seeking relief, the commission, upon receiving a timely application for a hearing shall enter an order setting a date, time, and place for a hearing. The requirement that the hearing must be 45 days of receipt has been deleted. In addition, the requirement that the commission shall issue a final decision or order within sixty days from the conclusion of the hearing has been removed.

This legislation is not federally mandated, would not duplicate any other program, and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

State Courts Administrator
Secretary of State
Department of Economic Development
Office of Administration
Administrative Hearing Commission
Department of Labor and Industrial Relations
Department of Revenue

NOT RESPONDING: Circuit Court of Cole County.



Jeanne Jarrett, CPA
Director
February 14, 2000